

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6459

BILL NUMBER: HB 1095

DATE PREPARED: Nov 29, 2000

BILL AMENDED:

SUBJECT: Special License Plates.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill creates a Huntington College Trust special group recognition license plate. It creates an Ancilla College Trust special group recognition license plate. The bill creates a Breast Cancer Research Trust special group recognition license plate. It specifies the method of distribution for the funds deposited in the Huntington College, Ancilla College, and Breast Cancer Research Trust funds. The bill also makes conforming changes.

Effective Date: January 1, 2003.

Explanation of State Expenditures: Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, submits charges to the BMV based on the number of colors in the design as shown in the schedule below:

<u>Colors</u>	<u>Set-Up Charge</u>	<u>Price Per Plate</u>
1	\$105	\$3.90
2	\$170	\$4.00
3	\$235	\$4.10
4	\$300	\$4.30
5	\$365	\$4.60
6	\$430	\$5.00

These prices are effective for the 2001-2003 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45-per-hour charge. Origination fees include the film positives and the silk screen charges. When the art work is provided by the customer, the set-up fee is \$17.50. The fund affected for PEN Products is PEN Products Revolving Fund. There will also be computer and accounting changes for the BMV.

The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV.

The Commissioner of the BMV is to administer the newly created Breast Cancer Trust Fund, the Huntington College Trust Fund, and the Ancilla College Trust Fund. Expenses of administering these funds shall be paid from money in the respective funds. Money in the Breast Cancer Trust Fund, the Huntington College Trust Fund, and the Ancilla College Trust Fund at the end of a state fiscal year does not revert to the State General Fund. Money in each of the Funds is continuously appropriated for the purposes of this bill.

On June 30 of each year, the Commissioner of the BMV shall distribute the money in the Breast Cancer Trust Fund to the Indiana University School of Medicine Department of Breast Cancer Oncology. Money in the Huntington College Trust Fund is to be distributed to Huntington College. Funds in the Ancilla College Trust Fund go to Ancilla College.

Explanation of State Revenues: Potential revenue from the sales of the newly created license plates is not known. However, based on the 1999 sales of special recognition license plates, revenue resulting from the \$25 annual fee could range from \$925 to \$1,906,600. This money would be deposited into the respective and newly created Trust Funds established by the bill. There also is an administrative fee of \$12 for special recognition license plates. Of the \$12 fee, \$6 is distributed to the Bureau of Motor Vehicles Commission, \$5 to the Motor Vehicle Highway Account, and \$1 to the Crossroads 2000 program for highway bonding and construction. Revenue from this fee is not known. However, based on the 1999 sales of special recognition license plates, revenue from the \$12 fee could range from \$444 to \$915,168. It should be noted that it is possible that sales of these new special plates could, to some extent, supplant the sales of other special plates.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (PEN Products).

Local Agencies Affected:

Information Sources: Becky Gillam, Sales and Marketing Director of PEN Products, 387-2020; Bureau of Motor Vehicles license plate data for 1999.